

State of Alaska FY2010 Governor's Operating Budget

Department of Health and Social Services Behavioral Health Grants Component Budget Summary

Component: Behavioral Health Grants

Contribution to Department's Mission

To mitigate the impact of behavioral health issues on individual Alaskans who experience severe mental health, alcoholism and other substance abuse impairments by funding prevention, intervention and treatment services through local grantee organizations; and to fund services to assist individuals to achieve recovery and attain their highest possible functioning level.

Core Services

- The Behavioral Health Grants component provides grant funding to local non-profit agencies to support comprehensive, statewide mental health and substance abuse intervention and treatment services.

FY2010 Resources Allocated to Achieve Results

FY2010 Component Budget: \$33,158,200

Personnel:

Full time	0
Part time	0
Total	0

Key Component Challenges

- The Division of Behavioral Health is committed to implement and administer a behavioral health management information system. It will provide Alaska health care providers with modern, streamlined business and clinical tools. Successful implementation of this system relies on a reliable method of collecting data, reporting and analysis. The division continues to develop the Alaska Automated Information Management System (AKAIMS) as a management information system to meet the current needs of the division's Performance Management System, as well as, current and emerging State and Federal reporting requirements.
- Although the Alcoholism and Drug Abuse Grants and the General Community Mental Health Grants components were merged six years ago, they still do not completely function as a single entity. The purpose of this union was to provide integrated substance abuse and mental health grants and services to dually-funded agencies, to provide specialized programs for dually-diagnosed clients. The goals of these integration efforts are the elimination of any "wrong doors," increased administrative and fiscal efficiency and, most importantly, improved services. This complex undertaking involved two former divisions with different regulations and standards. Many areas including staff qualifications, lack of parity in Medicaid reimbursements, and different approval certification and quality assurance mechanisms continue to be a challenge to this component.
- Determining the most effective programs is an ongoing challenge but with legislative mandate, the Division of Behavioral Health has reduced funding to less effective programs. This process will continue in FY10 using increasingly sophisticated data. In FY08, the emphasis was on grant performance: the number of consumers served, the cost of those services and outcome of those services for each client served by the agency.
- The Division of Behavioral Health has improved the data collection to support both the grantees as they manage services and to fulfill the data needs at the state and federal levels. The integrated grant system provides special challenges for financial management and Performance Based Funding, both of which are dependent on better data.
- The division is expected to meet the service needs of an increasing number of people who are ordered to get treatment or risk specific consequences, e.g. loss of custody of children or incarceration, when the budget has not increased to meet the increased service demands. Office of Children Services has cited a

lack of Substance Abuse treatment services for the parents of the children and youth they are assisting which limits the ability of those parents to care for their children. Continued failure to increase funding will severely limit services in FY10, as inflation impacts both grant and Medicaid budgets. Other consequences include: 1) Decrease in stable workforce - An Alaska Center for Rural Health workforce study in 2007 noted that the behavioral health occupational group had the most acute shortages – with both extremely high vacancy number (1,033 positions) and high vacancy rate (29%); and 2) Increase in referrals to higher levels of care and increased correctional and emergency services impacts without adequate community resources. The Hornby-Zeller 2007 Study of AMHTA beneficiaries in the Corrections reported the following findings:

- The majority of Trust Beneficiaries have either Axis I substance-related disorders or a mood disorder;
- Slightly more than half of Trust Beneficiaries have more than one Axis I mental health diagnosis;
- One-quarter of Trust Beneficiaries have Axis I disorder(s) and Axis II personality disorder(s) and nearly sixty percent have a co-occurring substance-related disorder;
- Approximately one out of every six Trust Beneficiaries has a history of psychiatric admission.

Performance Based Funding Strategies

The Alaska state legislature authorized the DHSS Behavioral Health to implement the Comprehensive Behavioral Health Treatment (CBHTR) grant program. The program funds more than sixty agencies statewide to provide mental health and substance abuse treatment services to qualified Alaskans.

The legislature has specifically directed the division to base awards on grantee performance. This intent is clearly stated on page 19 of Chapter 27, SLA2008 (<http://www.legis.state.ak.us/PDF/25/Bills/HB0310Z.PDF>).

It is the intent of the legislature that the department continue developing policies and procedures surrounding the awarding of recurring grants to assure that applicants are regularly evaluated on their performance in achieving outcomes consistent with the expectations and missions of the department related to their specific grant. The recipient's specific performance should be measured and incorporated into the decision whether to continue awarding grants.

DHSS Behavioral Health included the following performance-based criteria into CBHTR grant funding decisions for FY09 (July 1, 2008 through June 30, 2009):

- DBH staff scores
- Cost per participant
- Substance Abuse residential bed utilization rates
- Behavioral Health Consumer Survey (BHCS) administration
- Record completeness
- Consumer Status Review (CSR) score and episode count

For FY09, the legislature also appropriated additional funds for substance abuse (SA) treatment services. The division distributed these funds as special increments to CBHTR grantees for SA outpatient services, SA residential services and SA discretionary adjustments.

Significant Changes in Results to be Delivered in FY2010

- Fairbanks is one of only five communities in the state with capacity to provide detoxification services for persons withdrawing from alcohol and drugs; this facility will serve not only Fairbanks itself, but also the Interior and Northern regions. As a result of this program, Behavioral Health expects a dramatic reduction in the number of incapacitated individuals inappropriately (and expensively) held in jails and emergency rooms. Additionally, this project will ensure that the department meets its statutory responsibility to establish a comprehensive and coordinated continuum of care for alcoholics, intoxicated persons, and drug abusers (AS 47.37.130).
- Preventing and treating substance abuse is a DHSS priority for FY10. DHSS Behavioral Health received an increase in base funding for substance abuse treatment in FY09, which helped defray rapidly increasing costs. Additional funding in FY10 will allow DHSS Behavioral Health to bring the continuum of care closer to

meeting the actual demand; faster access to treatment services will reduce the impact of substance abuse disorders on the State's Court system, correctional facilities, hospital emergency rooms, and homeless shelters. Currently, the continuum of care for substance abuse disorders remains unable to respond to the high demand from the public and Courts for accessible substance abuse treatment services. The State's largest treatment centers all have waiting lists of one to three months. Of particular concern are pregnant women with substance abuse disorders; although the Federal Substance Abuse Prevention and Treatment block grant prioritizes treatment for pregnant women, some centers in Alaska simply cannot find room to accept women on demand. DHSS Behavioral Health anticipates increased access to treatment for Office of Childrens' Services (OCS) families, Seriously Emotionally Disturbed (SED) youth, therapeutic court clients, and inmates discharged from correctional facilities.

- Behavioral Health and the Alaska Mental Health Trust Authority have identified a core group of adults with severe co-occurring disorders who are especially hard to serve and to house. These consumers require much more intensive services than 90% of their peers, just to keep them out of API, jail, and the shelters. The current level of community mental health center grant and Medicaid funding cannot adequately fund the intensive level of service this population needs. An increment has been requested that will purchase additional intensive individualized services such as nursing care, 24/hour case manager support, daily medication administration, residential dual diagnosis treatment, and transport to services. At least 107 individuals can be served and expected outcomes for this program include: decreased utilization of hospital emergency rooms, jails, and Alaska Psychiatric Institute (API), as well as increased consumer ability to function in the community and the workplace.

Major Component Accomplishments in 2008

- In response to legislative direction, a working committee of multiple stakeholders (Behavioral Health, community providers, consumers, and Trust staff) continued the work that began in FY08 developing the strategies for implementing Performance Based Funding (PBF). This is a national model that designates targets, outcomes and identified results to determine annual grantee funding. The underlying strategy is to ensure greater quality, productivity and effectiveness. Performance measures will be implemented to hold providers in the state behavioral health system accountable. Further, it is an objective process to determine funding levels for grantees that will reflect an assessment of program and agency performance, utilization, client and community outcomes. The division used this process for determining grant awards for FY09 and anticipates further development of the process for FY10.
- Grantees of the division continue to implement best, promising, or Alaska-value-based-practices for service delivery. It is our expectation that widespread use, analysis, and evaluation of these program designs will ultimately improve outcomes for clients.
- The grant reporting requirements were streamlined and will continue at the division and department levels through the Grant Improvement Project with our partners at Rasmuson Foundation.

Statutory and Regulatory Authority

AS 47.30.520 - 620	Community Mental Health Services Act
AS 47.30.655 - 915	State Mental Health Policy
AS 47.30.011 - 061	Mental Health Trust Authority
7 AAC 78	Grant Programs
7 AAC 72	Civil Commitment
7 AAC 71	Community Mental Health Services
AS 47.30.470-500	Mental Health
AS 47.37	Uniform Alcoholism and Intoxication Treatment Act
7 AAC 29	Uniform Alcoholism and Intoxication Treatment Act
7 AAC 32	Depressant, Hallucinogenic, and Stimulant Drugs
7 AAC 33	Methadone Programs

Contact Information
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Behavioral Health Grants Component Financial Summary

All dollars shown in thousands

	FY2008 Actuals	FY2009 Management Plan	FY2010 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	0.0	0.0	0.0
72000 Travel	2.4	0.0	0.0
73000 Services	1,686.1	2,825.0	2,923.2
74000 Commodities	0.0	0.0	0.0
75000 Capital Outlay	0.0	0.0	0.0
77000 Grants, Benefits	25,452.3	25,667.9	30,235.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	27,140.8	28,492.9	33,158.2
Funding Sources:			
1002 Federal Receipts	2,810.3	3,107.6	3,169.8
1004 General Fund Receipts	2,189.4	2,865.8	2,865.8
1007 Inter-Agency Receipts	7,990.2	297.4	616.3
1037 General Fund / Mental Health	500.0	6,248.2	10,742.4
1092 Mental Health Trust Authority Authorized Receipts	237.1	965.0	755.0
1180 Alcohol & Other Drug Abuse Treatment & Prevention Fund	13,413.8	15,008.9	15,008.9
Funding Totals	27,140.8	28,492.9	33,158.2

Estimated Revenue Collections

Description	Master Revenue Account	FY2008 Actuals	FY2009 Management Plan	FY2010 Governor
Unrestricted Revenues				
None.		0.0	0.0	0.0
Unrestricted Total		0.0	0.0	0.0
Restricted Revenues				
Federal Receipts	51010	2,810.3	3,107.6	3,169.8
Interagency Receipts	51015	7,990.2	297.4	616.3
Restricted Total		10,800.5	3,405.0	3,786.1
Total Estimated Revenues		10,800.5	3,405.0	3,786.1

**Summary of Component Budget Changes
From FY2009 Management Plan to FY2010 Governor**

All dollars shown in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2009 Management Plan	9,114.0	3,107.6	16,271.3	28,492.9
Adjustments which will continue current level of service:				
-Reverse FY2009 MH Trust Recommendation	0.0	0.0	-965.0	-965.0
-Move Interagency Receipt Authority from Alcohol Safety Action Program to BH Grants	0.0	0.0	318.9	318.9
-Transfer Federal Authority from Behavioral Health Administration Component	0.0	62.2	0.0	62.2
Proposed budget increases:				
-MH Trust: AMHB - Grants for community behavioral health services	1,750.0	0.0	0.0	1,750.0
-MH Trust: ABADA - Grants for community based substance abuse services	1,750.0	0.0	0.0	1,750.0
-MH Trust: Dis Justice - Grant 1192.03 Expand Treatment Capacity Therapeutic Court Participants w/ Co-occurring Disorders	75.0	0.0	0.0	75.0
-MH Trust: Dis Justice - Grant 1192.03 Expand Treatment Capacity Therapeutic Court Participants w/ Co-occurring Disorders	0.0	0.0	75.0	75.0
-MH Trust: Housing - Grant 1377.02 Assisted living home training and targeted capacity for development	0.0	0.0	100.0	100.0
-MH Trust: Dis Justice - Grant 585.04 Detox and Treatment Capacity as alternatives to protective custody holds	0.0	0.0	530.0	530.0
-Fairbanks Behavioral Health Enhanced Detox Facility	500.0	0.0	0.0	500.0
-Increased Grantee Costs	419.2	0.0	0.0	419.2
-MH Trust: Workforce Dev - Grant 1434.01 Brain Injury training for providers	0.0	0.0	50.0	50.0
FY2010 Governor	13,608.2	3,169.8	16,380.2	33,158.2